

SUCCESS STORY Portland District Office

Pacific Tech Construction, Inc. Winner of SBA's 2005 Regional and Portland District Minority Enterprise Development Awards



Joe Lane, President, Pacific Tech Construction

It's a pretty good bet that Kelso natives Cal Miller and Joe Lane would have been successful businessmen out on their own. But put them together, and you have a partnership that's turned Pacific Tech Construction from a regional commercial contracting business into a national building services company.

Theirs is an example of a business partnership that works, says Don Jones, president and CEO of Twin City Bank. Miller and Lane share a similar work ethic that gets the job done, says Jones, who knows Pacific Tech Construction well. They share the same vision and goals, and they are innovative businessmen who take good care of their employees, Jones says.

"I think it's trust," Jones says of the duo's secret to the success. "I think it's a belief in the other's ability and a desire to have a good company."

Last month, Miller and Lane marked their 10th anniversary as owners of Pacific Tech Construction in Longview. A flourishing business built on aggressiveness and the ability to find the right niche in a competitive industry, the company has been nominated by the Small Business Administration's Portland District Office for a national award recognizing its business leadership.

The pair, 1987 graduates of Kelso High School, have known each other since the third grade. The 36-year-olds lived next door to one another until recently.



Cal Miller, Vice President, Pacific Tech Construction

They contrast each other nicely, Miller says. He's the numbers
guy, overseeing operations, while Lane is the people person,
concentrating on business development and marketing and doing much of the traveling.

The boyhood pals were fresh out of college and working for local companies when they started talking about opening a business together. They started Pacific Tech Construction in the garage of Lane's former mother-in-law. The garage is the size of their conference room today, Lane recalls. But the company grew quickly. They were hiring employees within a couple of months. They soon moved to a building in Kelso and later to their current location on Industrial Way, where they've been since 1998.

Pacific Tech Construction was built on two divisions, general contracting and roofing. They've seen their success fluctuate over the years with the Longview economy. For the first three or four years, the company grew at a rate of 50 percent a year. However, the middle years were hard as the local economy saw a downturn.

"But we recovered and buckled down," Miller says.

"What we learned from that was invaluable," Lane adds. "We are now selective about who we do work for."

Today, Pacific Tech Construction is enjoying a steady period of growth, once again growing at about 50 percent a year. The last two years especially have seen significant growth, Lane adds.

"They have faced adversity with the economy," Jones says. "But they've managed through good business practices to weather that and come out on top."

Pacific Tech Construction also has offices in Honolulu, Lady Lake, Fla., and Mesa, Ariz. The company employs about 100 people, 80 percent of who are from this area.

About 75 percent of Pacific Tech's work comes from the federal government. The U. S. Navy is the company's biggest customer.

When asked why they are successful, Miller and Lane point to their management team and employees. It's a tight, cohesive group, Lane says.

If they stepped away from their business, it would run itself, Miller says.

"If we wanted to, we could walk out right now, our people are that good," he says.

"It's people probably more than anything," agrees Lee Sykes, a project manager and also a Kelso native. "And two very aggressive owners."

With the company seven years, Sykes says Pacific Tech Construction has managed to be diverse while still carving out a niche in the construction industry. Being aggressive in seeking our work has been a key, he says.

"It's a great place to work and we could use some more people," he says. "We are definitely on the upward trend of all companies and we hope to stay that way."

Jones adds that the company approaches each job with the same attitude.

"They have that hometown feeling that every job is important and it seems to pass down through the ranks," he says.

Miller jokes that if the job is hard, his company will take it on.

"We just focus on the hard ones -- the nastier the better," he says. "That's our specialty."

One of those nasty projects was when the company was hired to rebuild the structure housing Boise Cascade's H-4 paper machine in St. Helens, a \$2.5 million, three-year project.

It was a tough job, to say the least. Crews, wearing ice vests to keep them cool in the stifling hot, humid building, worked on a rolling scaffold that was built over the running paper machine. No one was injured and the machine was never shut down once while the crew worked.

It's a tough business, where you have to prove yourself every day, Sally Spalding, purchasing agent with Boise Cascade, says of Pacific Tech Construction. But the Longview company has done just that, Spalding says.

When Boise Cascade hires a contractor, the company has three priorities: safety, cost control and staying on schedule, Spalding says. Pacific Tech Construction excels in all those areas, she says.

"They are an excellent contractor and that's why we've been doing business with them for so many years," Spalding says.

While Pacific Tech Construction has work for numerous local businesses, most of its work now takes employees out of the area. So why stay in the Lower Columbia?

It's simple, say Miller and Lane. This is home to them and the majority of their employees.

"We are committed to this area. We grew up here and we are proud to be here," Lane says. "I am concerned about this community and what's going to happen here."

The men are heavily involved in their community. Lane serves on several boards, including the Cowlitz Economic Development Council and Twin City Bank. And Miller is involved in youth sports. The company sponsors at least 20 youth sports teams.

Plus, you can't get better employees than those from this area, the men say.

"We have a great labor pool to draw from up here," Miller says. "Trust us. We work all over the country. The labor pool here is a lot deeper."

Miller and Lane admit they are a bit taken aback by their success. The company has exceeded any expectations he had 10 years ago, Miller says.

"I never thought we'd be this size, honestly," Lane says.

The businessmen want to keep their company small for at least another five years to take advantage of their existing market under federal guidelines. After that, they're game for anything.

"We believe if an opportunity comes along, we hop along for the ride," Miller says.

By Jill FitzSimmons for InBusiness of the Lower Columbia Daily News

Posted: September, 2005